FORM MR-AR (Revised 12/2011) RECEIVED

DEC 2 9 2011

DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940

SMALL MINING OPERATIONS PROGRESS REPORT January 1, 20__ to December 31, 20__

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program. The report is due January 31 each year.

| 1. | Mine Permit Number: \$23010Z |
|-------------------------|--|
| 2. | Mine Name: Doggon Mine |
| 3. | Name of Operator/Permittee: Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/MINES/Minerals Related/FORMS/MR-REV-SMO_EXP.pdf. |
| 4. | Report the gross amount of ore mined and waste moved. Gross Ore Mined Tons, or yd3 Waste Material Moved Tons, or yd3 |
| 5. | New disturbance created during the year Area reclaimed during the year Total Disturbed Area at the end of the year *The total disturbed area should not be greater than the permitted/bonded acreage. |
| 6. | Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. |
| | Never touched the soil / never per mitted Please alox out this file / have sent this San |
| I here | by certify the information provided in this report is true and correct to the best of my |
| knowledge an | d belief. |
| | Name (Typed or Print): Sandy NeW Title of Operator: Signature of Operator: Signature of Operator: Sandy NeW |
| pb O:\FORMS\reports\ | MR-AR-SMO2011 doc |



Gary R. Herbert Governor MICHAEL R. STYLER Executive Director JOHN R. BAZA Division Director

State of Utah DEPARTMENT OF NATURAL RESOURCES

DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 64114-5801 601-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

RECEIVED

DEC 2 9 2011

DIV. OF OIL, GAS & MINING

LONE STAR MINING EXPLORATION*
1478 WINCHESTER DR
ST GEORGE UT 84770

| ATTENTION: S | ANDY NELL | |
|---------------------|-----------|--|
|---------------------|-----------|--|

ANNUAL PERMIT FEE Annual Permit Fees for Jan 2012 thru Dec. 2012 SITE NAME **BILLING DATE** PERMIT ID ACRES **DRAGON MINE TAILINGS** 01/20/2012 S230102 NA **PERMIT TYPE PERMIT STATUS ANNUAL FEE SMALL MINING OPERATION < 5 ACRES PROPOSED** \$ 150

| DUE DATE | AMOUNT DUE | |
|------------|------------|--|
| 01/31/2012 | \$ 150 | |

Please retain this portion for your records. For billing Information call (801) 538-5291

This portion MUST be returned with your payment to ensure proper credit. THANK YOU

| ACCOUNT BILLED | PROJECT NAME | PERMIT ID |
|--------------------------------|---------------------------------|---|
| LONE STAR MINING EXPLORATION* | DRAGON MINE TAILINGS | \$230102 |
| DUE DATE ANNUAL FEE AMOUNT DUI | FEE ENCLOSED | FEE NOT ENCLOSED* |
| 01/31/2012 \$ 150 \$ 15 | Approval to mine or conduct ext | Noration is automatically withdrawn if annual |

permit fees are not paid by the date due.

DIVISION OF OIL GAS AND MINING 1594 WEST NORTH TEMPLE SUITE 1210 PO BOX 145801 SALT LAKE CITY UT 84114-5801 If reclamation is complete, please submit form MR-SITE to request either a full or partial release. The permit fee is not required if the entire site has been regraded and seeded; The Division will verify the reclamation work.

Forms and other permit-related information are available on the Web at http://ogm.utah.gov/minerals or you can call (801) 538-5291 for more information.

Please make check payable to:
Division of Oil, Gas and Mining